

DATE ISSUED: June 22, 2006 REPORT NO. 06-086

ATTENTION: Natural Resource and Culture Committee

Agenda of June 28, 2006

SUBJECT: Water Savings Potential of Common Area Laundry Rooms

<u>REQUESTED ACTION:</u> Review Common Area Laundry Rooms (CALR) as a beneficial source of water conservation.

<u>STAFF RECOMMENDATION</u>: Support the review of CALR by the California Urban Water Conservation Council (CUWCC) for possible inclusion as a State-wide Best Management Practice (BMP) for Water Conservation.

SUMMARY:

In 1985, the San Diego City Council officially established the City's Water Conservation Program, to reduce San Diego's dependency upon imported water. Today, the Water Conservation Program directly accounts for over 26 million gallons per day (mgd) of potable water savings per year. This savings has been achieved by creating a water conservation ethic, adopting programs, policies and ordinances designed to promote water conservation practices, and implementing comprehensive public information and education campaigns.

The Water Conservation Program has appeared before the City Council on numerous occasions. Perhaps the most significant date is on September 23, 1991, when the San Diego City Council joined the California Urban Water Conservation Council (CUWCC) by signing the Memorandum of Understanding (MOU) for Urban Water Conservation in California. The MOU is a collaborative effort by members of the CUWCC which commits the City to implementing BMPs as defined in the MOU.

To date, implementation of recognized BMP's in water conservation has resulted in the City achieving the goal, set out in 1997, of saving 26,000 acre feet of water by 2005.

DISCUSSION

The City's Water Conservation Program has been approached by representatives of the Multi-housing Laundry Association (MLA) regarding the effectiveness of CALR's in achieving water conservation. The MLA notes that a study by the National Research Center, Inc., indicates that CALR's save water. According to the report, residents with in-unit washers tend to do many more, smaller and less-efficient loads of laundry than residents utilizing a common area laundry room. (See Attached. The study is also located at www.laundrywise.com.)

Of concern to the MLA is the number of apartment complexes being converted to condominiums where the property owner/manager removes the CALR and installs individual washer/dryer hook-ups in each dwelling unit. As a result, the MLA has proposed the following initiatives to promote the retention of CALR's:

- Increase water and sewer capacity charges for apartment conversions that eliminate CALR's and install in-unit hook-ups; establish incentives for CALR construction in new development
- 2) Approve Municipal Code (Ordinance) changes that mandate the retention of existing CALR's.
- 3) Designate CALR's as a CUWCC Best Management Practice (BMP).

The Water Department reviewed these initial proposals and believes that it is premature to implement the MLA's recommendations at this time. Further review by the California Urban Water Conservation Council is recommended.

Increasing water and sewer capacity fees to provide dis-incentive for the elimination of CALR's, and/or establishing incentives for CALR construction in new development would be problematic.

Currently, capacity issues associated with the remodeling of multifamily living units are resolved based upon the specific configuration of the property, the number of units before and after conversion (density factors), the individual water meter configurations, the number of "fixture units" being eliminated and the amount of additional water capacity required after remodeling. In this manner, property owners are given credit, or are charged for, capacity allocations based upon prior and future expected usage. Similarly, water demands for new MLU construction are calculated based upon property configurations, including the presence or absence of a CALR.

It is unknown at this time the degree to which a dis-incentive strictly for CALR elimination, or the degree to which an incentive for their construction in new development, would impact the retention or construction of CALR's, particularly given the fact that the cost of in-unit laundry facilities are likely being passed on to consumers already. Significant stakeholder input would be required in order to evaluate this process, and would involve City's Development and Planning departments.

Approval of Municipal Code (Ordinance) changes mandating the retention of existing CALR's would be contrary to the historical approach taken by the Water Department towards achieving water conservation. The Conservation Program has approached reducing water demands by educating citizens on the need to conserve, as well as providing incentives for proven water conservation techniques. In this manner, consumers are able to choose for themselves the implementation of water conservation practices that best impact them. Such voluntary adoption approach has lead to significant water conservation for the City of San Diego, to the extent that the City uses the same amount of water as it did in 1990.

In consideration of the MLA's proposal for the creation of additional incentives, we note that the department currently has programs in place that provide proven water conservation results for MLU's, regardless of the presence or absence of CALR's. Such existing programs include the High-Efficiency Washer voucher program, and Ultra-low Flush Toilet (ULFT) program. In addition, program planning has revealed that outdoor water use now provides the biggest potential for achieving additional water savings. To that end, the Water Department is placing additional emphasis, including directing any new resources, in programs that target outdoor water conservation. Such programs include the Commercial Landscape Survey program and Commercial Landscape Incentive Program. Depending on the structure of any future CALR incentive program, resources would need to be reallocated from these outdoor programs.

Based upon their significance and potential impacts on other conservation activities, and in order to generate initial feedback from some stakeholders, the department referred the topic to the Water Conservation Action Committee (CAC) for further discussion.

Conservation Action Committee Review

Formed as a companion to other committees involved in regional water issues, the CAC consists of representatives from landscape architect and contractor associations, the Building Industry Association, property management companies, conservation gardens, City and County offices, public relations companies, and water agencies. The Water Department's Water Conservation Program provides staff resources which support the work of the committee. In general, the CAC evaluates the usefulness of existing water conservation programs, provides suggestions for improvement, and helps promote these programs within the industries and constituencies they represent.

The MLA presented CALR conservation to the CAC and the CAC is in support of the efforts to achieve savings through CALR's. As a result, the CAC has written to the CUWCC and requested that CALR be considered a Potential BMP (PBMP) for further evaluation. It is our anticipation that the CUWCC can, as they have in the past, provide input and direction to cities and water agencies regarding the value of CALR's in achieving conservation goals. Such past efforts have led to the ULFT program, and both the residential and commercial landscape survey programs.

Indeed, the City's current HEW voucher program for High-Efficiency Washing machines is a successful program that began as a potential BMP under consideration by CUWCC.

ALTERNATIVES

As an alternative to the MLA proposed initiatives, the City could enhance efforts to replace all washing machines with high-efficiency models.

The City currently partners with the San Diego County Water Authority (CWA) to promote vouchers for Residential High-Efficiency Clothes Washers (HEW). The Residential HEW Voucher Program provides a point-of-purchase discount of \$125 off the cost of a new qualifying HEW and up to \$775 off Commercial HEWs. HEWs use 60% less water and 55% less energy per load than standard top-loading machines and Commercial HEWs provide even greater water savings. Drying time can be cut in half, saving energy. HEWs are also credited with cleaning clothes more thoroughly, reducing detergent requirements, and reducing wear and tear on clothing. The Program is sponsored by the San Diego County Water Authority, its participating member agencies, the Metropolitan Water District of Southern California, and the California Department of Water Resources. The San Diego Gas and & Electric Company has participated in this program financially in the past and again plans to partner with water agencies to increase future voucher incentive amounts. HEW vouchers accounted for over 265,000 gallons per day of savings in Fiscal Year 2005.

As an alternative to the MLA suggested initiatives, the City could dedicate additional funds to increase the discounts offered for HEW purchase and thereby increase customer adoption rates for these machines across both residential and commercial usage classes.

<u>FISCAL IMPACT:</u> None at this time. Should CALR be included as a CUWCC BMP, the City would implement the activity, and would therefore incur costs associated with the approved program.

It is unknown at this time the degree to which a given level of dollar increase in HEW incentive

would impact purchase patterns of consumers. The following table reflects HEW Incentive Program activity through May 31, 2006.

HEW Voucher Type	Value of Voucher (Up to)	Water Dept Cost per Voucher	Lifetime Savings (AF) per Washer	Water Dept Cost per AF Saved	Vouchers Redeemed YTD	Total Water Dept Cost YTD
Residential	\$125	\$11.99	.26883	\$44.58	3,115	\$37,349
Single Load CII	\$150	\$ 9.50	.67209	\$14.14	1,514	\$14,383
Multi Load CII	\$775	\$20.00	1.92665	\$10.38	344	\$ 6,880
Total					4,973	\$58,612

PREVIOUS COUNCIL/COMMITTEE ACTION: None on this subject.

<u>COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:</u> An informational presentation and ensuing discussion on the benefits of CALR occurred at two successive CAC meetings in 2005. No other public outreach efforts have been conducted by the Water Department on this subject. The MLA is in support of CALR conservation objectives.

<u>KEY STAKEHOLDERS & PROJECTED IMPACTS:</u> The MLA is impacted in this action. In addition, property owners anticipating the renovation of multi-family housing units which would eliminate CALR's would also be impacted. Prior to implementing any mandated requirement regarding the retention of CALR's, additional outreach and communication with the effected stakeholders would be necessary.

J.M. Barrett	Approved: R. F. Haas
Water Department Director	Deputy Chief of Public Works
AR/LG/cdr	

Attachments: 1. Letter September 20, 2005, to Mary Ann Dickenson, Executive Director CUWCC

2. A National Study of Water and Energy Consumption in Multi-Family Housing, March 2001, November 2002, revised)